

Washington, D.C. - In a bipartisan joint letter to the Surface Transportation Board (STB), several Members of Congress joined Congresswoman Melissa Bean (IL-08) to express concerns about Canadian National's appeal of the STB decision requiring the company to pay their fair share of mitigation efforts in Illinois and Indiana communities. Joining Bean on the letter were Representatives Peter Visclosky (IN-1), Donald Manzullo (IL-16), Judy Biggert (IL-13), Peter Roskam (IL-6), Bill Foster (IL-14), and Deborah Halvorson (IL-11).

"This action shows, yet again, that despite their promises, Canadian National never had the best interests of Illinois and Indiana communities in mind," Rep. Bean and her colleagues wrote. "While we believe the Board did not go far enough, we hope the Board will vigorously defend this misguided challenge to the STB's authority."

The text of the letter is below:

February 27, 2009

Anne K. Quinlan
Acting Secretary
Surface Transportation Board
395 E Street, SW
Washington, D.C. 20423-0001

RE: Canadian National Railway Company and Grand Trunk Corporation Control—EJ&E West Company (STB Finance Docket No. 35087)

Dear Ms. Quinlan:

We are writing regarding Canadian National's (CN) recent filing with the Surface Transportation Board (STB) outlining CN's plans to challenge the STB's Final Mitigation Conditions (FMC) in the United States Court of Appeals for the District of Columbia. This action shows, yet again, that despite their promises, Canadian National never had the best interests of Illinois and Indiana communities in mind. While we believe the Board did not go far enough, we hope the Board will vigorously defend this misguided challenge to the STB's authority.

CN is particularly critical of the Board's FMC requiring CN to fund two grade separations in Lynwood (at 78.5 percent CN cost) and Aurora (at 67 percent CN cost). This request comes as many communities beyond Lynwood and Aurora that deserve at least the same level of funding from CN for grade separations are being asked to unnecessarily to shoulder the entire burden of building grade separations. As the Board knows, grade separations along the Elgin, Joliet, and Eastern rail line (EJ&E) are the most effective way to mitigate traffic and safety issues.

CN believes these STB mitigation requirements were "unwarranted and unlawful" and that STB has "no authority to impose this environmental condition over the objection of [CN]." These

serious challenges to the STB's authority and ability to properly protect communities from the effects of rail transactions raise questions about the authority of the Board and its ability to properly regulate the railroad industry. CN's arguments in their filing, if found true, would bolster the argument for stronger regulation of our nation's railroads, an issue that is currently being debated in Congress.

In an open letter to residents of communities affected by the EJ&E purchase dated February 2, 2009, CN CEO Hunter Harrison wrote:

Knowing that much work lies ahead, we pledge to all communities along the EJ&E line that CN will share information, listen to your concerns and collaborate with your officials to identify and implement creative solutions to lessen the impact on individual affected communities. We make this commitment because doing the right thing is who we are.

CN's latest action has broken that pledge and follows a history of showing no regard for the negative impact this transaction will have to communities along the EJ&E. Our communities did not seek CN's freight traffic and therefore have no sympathy for the costs imposed on them by the Board. As the Board is well aware, our communities are very disappointed in the lack of adequate mitigation required of CN. This court challenge of the STB ruling affects not only the grade separations in question, but raises concern about the future of other commitments and agreements CN has made. We encourage you to use your full oversight rights and responsibilities to ensure that CN meets their requirements and we look forward to working with you to ensure that happens.

Sincerely,
Rep. Melissa Bean
Rep. Peter Visclosky
Rep. Don Manzullo
Rep. Judy Biggert
Rep. Peter Roskam
Rep. Bill Foster
Rep. Deborah Halvorson